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NEWFOUNDLAND
AND ITS
POLITICAL AND COMMERCIAL
RELATION TO CANADA

BY

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NEWFOUNDLAND AND ITS POLITICAL AND COMMERCIAL RELATION TO CANADA.

BRIEF SURVEY OF PRESENT CONDITIONS

THE island of Newfoundland, equal in extent to one-third of the British Isles, has a population of only two hundred and fifty thousand or one three-hundredth of that of the United Kingdom. The interior is an uninhabited wilderness where the cariboo still roam. Vast forests cover the valleys of the rivers and great lakes. Untold mineral wealth lies undeveloped, and ten thousand square miles of agricultural land await the kindly offices of the plough. The entire population, settled along a narrow fringe of sea-coast, derives its living directly or indirectly from the sea. There is no farming, dairying or stock-raising of importance. The little gardening is crude and unscientific. The manufactures are few and inconsiderable; the chief are cordage, soap, clothing, boots and shoes. Even these articles are not made in sufficient quantities to satisfy the local demand.

Education in the Island is sadly defective. Such natural impediments to an efficient system, as sparseness of population and meagreness of income, are augmented by religious dissensions. The denominational system of schools prevails. The annual grant of one dollar per head, which constitutes the entire expenditure for education, is divided into as many portions as there are religious sects in the country and into amounts proportionate to the number of each sect. Each denomination supervises itself. There is no state control of inspection. As a consequence the standard is low and the methods are antiquated.

The means of transportation in the country are quite inadequate. The coastwise service, however, is reasonably efficient, communication being kept up along the shores of the great bays by a fleet of about thirteen

ships, affording a bi-weekly mail and comfortable passenger service. A daily service exists between Port aux Basques and North Sidney. The two ships on this route are especially good. The railway service is, however, exceedingly poor; the track is of narrow gauge and the road-bed is almost without ballast, so that trains creep along at an average speed of about eighteen miles an hour, and the rolling and pitching are terrible. The system consists of about five hundred miles of main line and about three hundred miles of branch lines which tap the Great Bays and connect the coastal and island services.

The civil government of the country is bureaucratic. There is no municipal or local self-government. The central administration provides for every detail of public affairs. The voter expresses his opinion once in four years by the simple operation of marking a ballot. He has not a word to say even as to where, when or how local public works should be constructed. The "Government", either directly or through appointed boards, attends to every matter of local public interest.

The foregoing features indicate, in the main, a backward condition in the social and industrial life of the community. This had its origin in the early days of struggle as the first of Britain's colonies. Compared with Canada, Newfoundland had a start of three hundred years as a colony of Great Britain. But the rate of progress has not been proportionate to its age; indeed this antiquity has rather proved to be a handicap, for the first offspring of the great mother of colonies has had to suffer consequences due to the inexperience of the parent. The happy circumstances of the younger members of the family are due mainly to lessons learned from parental errors in the management of the elder-born. It will be necessary to trace the checkered history of the baby colony in order to discover the causes of its restricted industrial activity and of its antipathy to a political union with Canada. In the course of the survey, conditions in the two countries will be compared and an effort will

be made to show wherein a union would have broken the spell of stagnation in Newfoundland and brought about industrial and commercial expansion.

BRIEF HISTORICAL SKETCH

It is not exactly known when the first "planter" settled in Newfoundland, but the records show that by the year 1522, forty houses had been constructed in the island, and that fifty English fishing vessels annually visited its coasts. The dangerous but lucrative fishing industry, commenced in the dawning of the sixteenth century, has flourished for four hundred years. The fishing grounds and fishing rights of Newfoundland have been a bone of contention between England and her rivals for more than three centuries. France, more pertinacious than the rest, persisted in her claim as long as she had a military and naval power to defend her right.

For nearly a century no single nation pretended to a right of absolute ownership of those "gold mines than which there are none more rich". But in the year 1583 Sir Humphrey Gilbert raised the English flag on Garrison Hill, formally took possession of the Island in the name of Queen Elizabeth, and proclaimed that in the surrounding waters English law was to prevail. Sir Humphrey, under the stimulating influence of his prophetic half-brother, Sir Walter Raleigh, made a definite attempt to colonize the Island. His efforts met with failure.

In 1610 John Guy brought out a party of colonists and built a fort in Conception Bay. Sir John Calvert also founded a colony at Ferryland in 1621. Both experiments failed. Permanent settlement was destined to come, not from the organized effort of unpractical men bringing unsuitable colonists, but from the casual squatting of fishermen and fishing crews who had been left over winter to prepare the "rooms" for the coming season. They found the country good to live in and the climate agreeable. It was not only a land of liberty but of plenty. After having spent a winter or two in the Island they brought over their families and household effects.

Within a century Newfoundland had become the pivot about which almost the whole of British commerce turned. Fish and oil constituted the prizes of war in Elizabeth's time and were the commodities for which the products of Europe and the East were exchanged. It was to prosecute the fishing industry and its resultant trade with all parts of the then known world that the great merchant marine of Elizabeth's time was built up. Not only were the Newfoundland fisheries the main-spring of England's commercial system, but also her bulwark of protection against the Armada, for much of the English navy was none other than the Newfoundland fishing fleet commandeered by the Queen, and some of the Captains and Admirals were none other than fishing masters and privateer skippers. One Captain Whitbourne, who spent the greater part of his life in the Island, led twelve ships of his own against Spain.

The fair prospects of the young colony were blighted by greedy monopolists, whose withering influence on the development of the country is felt even to the present. It was greatly to the advantage of the West Country merchants that the Island should not be permanently settled. There was limited space in the harbours for landing and curing fish. If this were appropriated by permanent settlers, the fishing crews from Devonshire, coming over in the spring, would have to go short, or select less suitable and more dangerous places. To prevent such settlement and such appropriation of choice locations, legislation was necessary. It was unfortunate for the first colony that the ears of kings were open to clever courtiers, and that the hands of courtiers were open to receive bribes for their influence. One hundred thousand pounds was the price demanded (and received) by one court favorite for managing an edict of the Star Chamber by which each captain was bound by forfeiture of one hundred pounds to bring back every man he took to the fishery. "His Majesty in Council" was also bribed to "admonish the inhabitants either to return home or to betake themselves to some other part of His Majesty's plantations". "Incon-

ceivable as it may appear, the ministry ordered the expulsion of the inhabitants from their settlements. A convoy put the iniquitous order into operation, and set about to destroy the property of the planters." It was further enacted that no woman should be allowed to land in the Island, and steps were taken to remove those already there. Though this order was later rescinded, the strife between planters and merchant adventurers continued, amounting indeed to civil warfare, and militating against the settlement and the development of the country.

The most effective preventive device hit upon by the monopolists was the very ingenious but very ludicrous Admiralty system. By an edict engineered through the English Legislature by the West Country merchants, the first Captain to arrive in each harbour in the spring, instantly and automatically became Admiral of the port. He was both Judge and Jury on all local matters of dispute; he determined the space for the fishing "rooms", reserving to himself as much as he wished and more than he needed. This judicial monstrosity is admirably described by Judge Prowse, a local historian: "I shall try and describe the Fishing Admiral as he appeared to our ancestors, clothed not in the dignity of office, not in flowing judicial robes, not in the simple and sober black of the police magistrate, but in his ordinary blue flushing jacket and trowsers, besmeared with pitch, tar and fish-slime, his head adorned with an old seal-skin cap robbed from an Indian or bartered for a glass of rum or a stick of tobacco. The sacred temple of law and equity was a fish store; the judicial seat was an inverted butter tub. Justice was freely dispensed to those who paid most for it. In the absence of a higher bribe, His Worship's decision was often favourably effected by the judicious presentation of a few New England apples. The litigant who commenced his suit with a presentation of a flowing bowl of colobogus (a compound of rum, molasses and spruce beer) captivated the judicial mind most effectually. Sometimes, alas! the dignity of the bench was diminished by the sudden fall of the court prostrate on the floor,

overcome by the too potent effects of the new rum and spruce beer.

"Time would fail to recount all the enormities and barbarities of these ignorant tyrants. They displaced the rightful owners from their 'rooms', seizing them for themselves or their friends; they siezed, triangled and whipped at pleasure every unfortunate wretch who earned their displeasure, against whom some trumped-up charge could be made out."

This system of legalized injustice and oppression had the desired effect on the growth of the colony. In addition the merchant adventurers gave the soil and climate a bad reputation at home which proved effective. But in spite of misrepresentation and malicious proscriptio, settlement went on slowly. By the year 1620, the year of the landing of the Pilgrim Fathers at Plymouth, New England, three hundred and fifty families had settled in Newfoundland. Merchants had established houses of business at St. John's and other harbours on the south-east coast, and three hundred sail of English fishing vessels annually visited the Island from the seaport towns of Devonshire, Somersetshire and Dorsetshire.

The pioneers of the young empire suffered as much from the perfidy of kings as from the cupidity of adventurers. The Stuarts had a persistent habit of rewarding court favourites by granting them the possessions of their subjects overseas. But the master stroke of folly and treachery was achieved by Charles I, when by a secret pact he ceded to France all the territory lying between Cape Ray and Cape Bona Vista, including the best harbours and the best fishing grounds of the Island. Here Newfoundland's sorrows really begin. Hitherto her affliction had been misgovernment, lawlessness, crime and oppression. To these miseries was now added the dreadful curse of war.

During the period of English colonizing activity when Englishmen were dreaming of an empire beyond the seas, the French were creating a new France on the banks of the St. Lawrence. In Newfoundland they possessed

Placentia, the best port of the Island for strategic occupation. They made this port, which had been granted them by an English king, the basis of operation against the English in America. The result was that under Frontenac and D'Iberville, new France succeeded in completely crushing the English in 1696 and 1697. Thus at the end of the seventeenth century the French were paramount in North America. They employed twenty-thousand men in the fishing industry which extended to Nova Scotia, Cape Breton, Gaspé and Labrador. The French naval power rose at the same time to such a height that all attacks by the English on New France and Acadie were utter failures, whilst the English possessions were raided from St. John's to Hudson Bay. The strategic position of the French at Placentia was the key to the whole of North America and rendered them masters and tyrants on this side of the Atlantic. Thus through the stupidity of Charles I, Newfoundland became heir to all the sorrows of a conquered and exploited people, and was left to drift along without protection and without a government, an easy prey to every enemy.

In 1694 the French, inspired by the vigorous Frontenac, Governor of Canada, fortified all the forts in the French territory of the Island and sent a squadron to destroy the English settlements on the coast. The sturdy sons of Devon, however, were not to be beaten without a struggle. Though the forts were in ruins and the militia disbanded, the fishermen fortified Ferryland harbour and made ready to resist the invader. The French appeared with five ships, one of which carried fifty guns. They were given such a hot reception that after five hours' fighting they sailed away with a loss of about ninety men.

In 1696 a large French fleet under Chevalier Mesnard attacked St. John's. Here too the forts had gone to ruin and were only hastily repaired and manned by undisciplined crews. Again the powerful fleet and trained soldiers of France were beaten off by the rough and raw inhabitants.

The next twenty years of Newfoundland's history provide a chapter of misfortune and heroism on the one hand and of cruelty and treachery on the other. After the departure of the English fishing fleet in the winter of 1696, the brilliant French commander, D'Iberville, led an army of French Canadians and Canadian Indians across the country from Placentia to St. John's. The settlement of Petty Harbour in the neighbourhood of St. John's was destroyed and the inhabitants were butchered and scalped by the Indians. Knowing of the advance of the French army, eighty recruits from the fortress of St. John's marched to the assistance of Petty Harbour. They were met by a detachment of the French army to the number of four hundred men. During a fight of half an hour forty-four of the little band were killed. The remaining thirty-six returned to the fort which surrendered to the French on the following day.

From St. John's, D'Iberville and his murderous French and Indians marched round the shores of Conception Bay, driving out the inhabitants and burning every village and fort in their passage. According to the diary of one Boudin, a priest in the company of D'Iberville, some individual merchants lost property to the value of one hundred thousand dollars in this pilgrimage of destruction. The unfortunate inhabitants fought with wonderful courage and pertinacity. Poorly equipped and wretchedly clad, they were ultimately subdued as much by frost and snow as by the French army. Indeed one little fort, that on Carbonear Island, was never taken, though assailed simultaneously from land and sea, and it enjoys the distinction of being the only place north of New England unconquered by the French.

During twenty years of disastrous guerilla warfare, the fishing industry sank to about a tenth of its previous volume. But while misfortune overtook English arms and English commerce on this side of the Atlantic, the great Marlborough was winning victories in Europe. France was repeatedly humbled, and at last in 1713 she was at the mercy of her rival.

The indifference of English statesmen to the operations and policy of the French in America is without explanation. They must have known that France recruited her navy from the North American fishing grounds, and that enormous bounties were paid by the French government to sustain and promote the industry in Newfoundland, not for the sake of the commerce, but as an engine of war. They must have known that this naval nursery was a menace to the English power both in America and in Europe. But despite this knowledge, despite petitions from the settlers, the ministry gave the French, by the Treaty of Utrecht, the right to fish in the waters of the Island from Cape Bonavista to Point Riche. The inevitable happened, quarrels between the fishermen of the two nations became perennial, to the great prejudice of the fishing trade and of the progress and prosperity of the Island.

Though the French were given fishing rights they secured no ownership of land on the Island. They were to use the harbours for landing and drying fish at stated seasons, after which they were to leave. It was convenient for the French to misinterpret this treaty. Ever since the treaty, their pretensions have been most prejudicial to the operations of the local fishermen and to the settlement and development of the French Treaty Shore. Newfoundland suffers to-day from the indifference to its interests of Queen Anne's ministry.

War with its devastation and depopulation ceased at the accession of the First George, and in its place came recuperative peace. The danger from a foreign enemy had forced the planters and adventurers to forget their divergent interests and their jealousies, and had led them to unite to face the common danger. Desperadoes of all sorts had become temporary patriots. But in the prosperous time of peace the desire for wealth displaced the finer sentiments in the Islanders, and dissolved the unity of the community. The law of the jungle became the standard of business. The settlers robbed each other; the adventurers robbed the settlers and the Fishing Admirals—the guardians of the law—robbed both.

A contemporary aptly describes the situation. "This unfortunate condition of affairs was due to the extraordinary imbecility of the British government. They endeavoured to rule the colony without a governor, and to defend it from invasion without adequate military and naval force, to distribute justice without adequate courts of law made by the authority of the Imperial Parliament; in fine, they went on administering the affairs of the Island in the most blundering fashion, and stupidly wondered because the inevitable result was chronic disorder and chaotic confusion". During the years of peace, however, the industry and population of the Island steadily increased. In 1750 the catch was valued at half a million pounds, and the permanent population numbered six thousand.

The period of the American Revolution was a time of great uneasiness in the Island. For the first time in the history of the colony the fortifications were brought to a state of efficiency and the country was well supplied with military and naval guards. The daring sea-dogs of the Island were most audacious and most successful in attacking American vessels of all kinds. At one time there were no fewer than one hundred and twenty prize ships in St. John's. A constant watch was kept for the intrepid Yankee and his ally, the French. The enemy, however, was content with the privilege of an inspection at a safe distance of the batteries bristling with cannon on Signal Hill at St. John's. There was also some misconception concerning the strength of the fortress. One captured fisherman, "like an ambassador, lied for the good of his country". He declared that there were five thousand troops on the hill, two hundred guns in the fort, and a chain and boom across the narrows. The French Admiral decided that discretion was the better part of valour.

Though America won her independence, England came out of the struggle much stronger than the colonies and their allies, and had no occasion to make any other concession than Independence to America. The cession of rights to the Americans to fish on the Newfoundland

coast served as an ornament for those trousers of Mr. Franklin in which he had sworn to celebrate Independence Day. Again Newfoundland was the scapegoat of an international quarrel.

By the reign of George III there was considerable agitation for a local legislature. Again the West Country merchants were in opposition. The idea that the Islanders should govern themselves was, to them, preposterous. One of the merchants in his evidence on the subject stated: "They are making roads in Newfoundland, next they will be having carriages and driving about". But the lesson soundly taught by the American Revolution was in the end so well learned by the English statesmen that the principle of at least partial self-government by each political unit had come to be recognized as a wise feature of colonial policy. Hence the grant of a local legislature came as a matter of course in 1832. The granting of a legislature to Newfoundland was, however, a mistake. At this time there was no class sufficiently sober, and there were few persons of sufficient experience in the science of government to bear adequately the burden and discharge efficiently the functions of a civil administration. Those days of class jealousy, of commercial brigandage and judicial burlesque required an administration which might be called benevolent despotism. The strong hand of an administrator who was neither an autocrat nor a demagogue was needed to effect the transition from a lawless to an orderly community. At a similar juncture in the history of Canada when racial strife and faction disturbed the peace and industry of the country, administrators like Sydenham and Elgin were sent to help in pacifying the warring elements and make self-government possible.

The new constitution provided for an upper house—the Legislative Council. The two houses immediately disagreed. The fiercest struggles between the two sections of the legislature were over what were known as the Contingency Bills passed by the Lower House. The Council not only refused to pass the Contingency Bills, but threw out supply and revenue Bills. In the

meantime the Governor was obliged to draw warrants on the colonial treasury for the civil expenses of the government. The bickerings between the two houses became so persistent that no business could be done. When the Lower House enacted legislation the Upper House refused its assent. The quarrel spread from the legislature to the community, and was intensified by the influence of the press. This first parliament is the ancestor of the generations of political and social ills which have thriven to the present time. Even in modern society we are governed largely by precedent, particularly in the matter of civil and judicial administration. Statesmen who break away from tradition do so at the risk of their reputations, and it is not so long since it was at the expense of their heads; the rather uncomplimentary term of "Radical" is still applied to men of unconventional political doctrines. The break with tradition is chiefly effected by peoples of the greatest experience and the highest education; and conversely, the least developed peoples are most averse to change; hence the greater tragedy of Newfoundland's first parliament. By reason of their seclusion the people of the Island are naturally conservative, which makes it difficult even for this generation to extricate itself from the errors of much earlier days. The first administration was not popular with the people, so the unpopularity of governments has become perennial. The distinguished leaders who stand out here and there in the political history of Newfoundland have not succeeded in creating confidence in the political institutions of the country in the minds of the community at large. Hence public men who possess a wider horizon are hampered by the narrow vision of those who have no ideal standard, and their every departure from custom is eyed with suspicion. Public men may not be wholly blamed for having an eye to their political heads and for "bowing in the House of Rimmon", but when they become slaves to class or custom the wheels of progress stand still and democracy is imperilled.

In 1824 the English ministry made a definite attempt to place the judiciary of the Island on a satisfactory basis and to efface pre-existing judicial burlesque. Provision was made for a Supreme Court with all civil and criminal jurisdiction in the Island as "fully and amply to all intents and purposes as His Majesty's Courts of King's Bench, Common Pleas, Exchequer and High Courts of Chancery".

CONFEDERATION

The great political movement of the Confederation of North America was initiated in 1865. Newfoundland was included in the scheme. Sir Frederick Carter and Sir Ambrose Shea were the delegates from the Island to the Confederation Conference. The proposals were not definite, particularly those which referred to the railway and ferry across the Gulf. The Newfoundlanders wanted nothing small or indefinite to induce them to surrender that doubtful and indefinable quantity, their independence. There was a small army of civil servants who had little desire to exchange a definite personal wage for a doubtful general benefit. Those immediately concerned in the administration saw little prospect for private gain by the exchange. The great mass of the people for whose benefit the movement was initiated had just doubts about the fairness with which taxes would be likely to be levied.

Almost the entire revenue of Newfoundland is raised from duties on imports. A few of the necessities of life, such as flour, tea and sugar are on the free list. Raw material for manufactures is also imported duty free. The total imports of the country for 1913 amounted to \$16,012,000.00. The import duty for the same year was \$3,149,000.00. The average duty therefore is approximately twenty per cent. A sixth of these imports, however, consists of raw material on which there is no duty. The rate of duty on the balance therefore is about twenty-five per cent. The consumer derives no benefit from the free importation of raw material, for the goods

manufactured from these materials are protected by a tariff of thirty per cent.; of which the manufacturer takes advantage. It follows that the great mass of the fishermen, who save little or nothing, pay away in taxation about twenty-five per cent. of their income. This heavy burden is borne chiefly by the poorer classes. Eighty-five per cent of the trade of the Island is done through St. John's, which is the clearing house for the whole business of the country. There the fishermen sell their staple and buy their supplies. There the banking and financial institutions of the country are situated, and there are the various factories. Yet the wealthy citizens of this entrepôt of commerce, of this bee-hive of industry, pay no income tax, no tax upon property, such as are levied in commercial centres elsewhere. Under the system of deriving revenue solely from import duties, a householder's taxes are not in proportion to what he earns, but to what he consumes, and his consumption is in proportion to the number of his family. In Newfoundland as everywhere else the poor are blessed with large families and the rich usually have small ones. The heads of the great mercantile houses pay, not upon the volume of their business or a percentage of their income, but solely upon the clothing, food and other things which they use or consume.

The system prevails partly because of its convenience. The machinery necessary for the collection of this form of taxes is much more simple than that for any other form, and it has been retained also because of its antiquity. It was the first method of raising revenue in the Island, and has become venerable if not sacred with age. Another reason is that those who suffer most by it are almost unconscious of its existence. The revenue mill grinds noiselessly and without friction. The taxes are not paid at any specified time, at any specified place, or in any definite amount. When revenue is paid in actual cash by individual assessment and called taxes, it is considered oppressive, but if it is levied indirectly and called duty, many people are indifferent to it. The consumer pays twenty-five per cent. more than the cost

for an article without knowing what the original price was to the merchant. All he knows is that he cannot buy the article cheaper elsewhere, and he asks no further questions.

The main reason for the persistence of the system which is manifestly inequitable, however, is that those who have the power to change it profit most by it. The legislature has always been composed chiefly of the mercantile class. The Upper House consists almost entirely of the business men of St. John's. A system of revenue through import duties is very satisfactory for them, for the fisherman who pays for his goods also helps to pay the taxes of the merchant.

During the absence of the delegates to the Quebec Conference in 1865, when federation with the other British provinces was under discussion, a powerful anti-Confederation party was organized. Mr. Charles Fox Bennet was its leader and fabricator-in-chief. A systematized campaign of delusion and misrepresentation was conducted throughout the Island. The propagandists admitted that the people were already being chastised with whips, but their accounts of the terrors of the future tax collector were more than suggestive of scorpions. The secluded fisherfolk were duly impressed by the prospects of wholesale raids by the Fenians against whom the Islanders would naturally be forced to enlist. They were told that "their bones would bleach on the desert sands of Canada". A third of the population is composed of people from the south of Ireland. So the Irish Nationalist sentiment was appealed to and Irishmen were reminded of the hated union in the mother land, brought about by fraud and corruption. The appeal met with sudden and hearty response. So thorough was the work of the first anti-Confederation party that even to the present, whenever the question of Confederation is discussed one hears talk of the prospect of having his cooking stove or his bed seized for non-payment of taxes. The absurd fictions were not only believed, but were increased in volume and momentum by the credulous ignorant.

It ought to be remembered that this deluded but honest people has been by itself for two or three centuries. The Newfoundlanders have lived by the sea where the imagination and fancy trick the reason. Fifty years ago the Dominion itself was not free from traces of political superstition; similar tactics were pre-eminently successful in Quebec in a recent general election. It must be remembered also that there still lingered in the minds of the people of Newfoundland a traditional remembrance of the sufferings their forefathers had endured at the hands of French Canadians and Canadian Indians in the raids of the seventeenth and eighteenth centuries.

1895 The Confederation party suffered overwhelming defeat, and the question was not raised as a political issue until impending bankruptcy suggested its desirability. The year 1895 is a dark spot in the history of the colony. The country was bankrupt and without credit either in Europe or in America. There was but one solvent bank in the country. Business houses had been trading upon borrowed money, and commercial gambling had been going on for years. Merchants had been supplying the fishermen on the credit system while the price of fish kept going down so steadily that the fishermen often received a greater price than that realized in the foreign market. The directors of the banks were business men of St. John's and with two exceptions all owed large sums to the banks. The "crash" caused wholesale ruin and disaster. All the banks except the Government Saving Bank closed their doors and several large mercantile houses became insolvent. The whole population lost by the failure of the banks. "The narrow resources of widows and orphans, the painful savings of a life-time gathered in by rigid frugality in constant peril and danger of the sea, all was lost in this tremendous failure". While the finances of the country were in this hopeless condition, the Governor, Sir T. N. O'Brien, sent a message to the Governor-General of Canada, asking for a re-opening of negotiations for a union of the two countries. The delegates from Newfoundland, Messrs.

R. Bond, E. P. Morris, George E. Emerson and W. H. Horwood, met the Dominion delegates, Messrs. G. E. Foster, McKenzie, Bowell, Adolphe Caron and John Haggart in a conference at Ottawa.

Through her representatives, Canada offered to assume \$10,350,000 of Newfoundland's debt of \$15,700,000, an amount proportionate to the per capita debt of Canada; and for the various expenses of the civil administration of the colony, Canada offered to vote an annual subsidy of \$505,000. All the proposals relative to representation, police protection, customs, Crown lands, etc., were assented to by the Newfoundland delegates, but a deadlock occurred over the question of the annual subsidy. The Island delegates estimated that the annual cost of administration would be approximately \$819,000, leaving a difference of \$314,000 to be borne by the Island. There was a further annual expense of \$299,193, representing the interest on the public debt to be paid by Newfoundland. At the expiration of the contract with Messrs. Reid, the builders of the Newfoundland railway, the Government would have to operate the railway at an annual expense of \$150,000, and for maintenance of the telegraph there was an annual expenditure of \$18,000; making a grand total of \$780,000 or \$3.50 per head to be provided by the province. Thus after having made over its customs to the Federal Government the Island would have to raise by direct assessment a sum equal in proportion to the entire tax of Canada, computed on the basis of income. The per capita incomes of the two countries are \$50 for Newfoundland, and \$250 for Canada. The per capita tax of Canada is \$17 which bears the same relation to \$250 as \$3.50 bears to \$50. The delegates from the colony saw that such an arrangement would be unfair and unjust, and promptly broke off negotiations.

At this one critical moment Newfoundland was sufficiently favourable to Confederation to consider the question seriously had reasonable terms been arranged. Even the "patriots" did not openly lift up their voices against the movement. The bankrupt community

thought the expedient was one way out of the financial dilemma, and for the moment forgot about Fenians and taxes. The Dominion delegates sought, however, to drive a hard bargain with the colony. Knowing the financial distress of the country they feared, with reason, that it would be a permanent drag on the revenue of the Federal Government. That they lacked the vision of statesmen as well as knowledge of the latent resources of the colony nobody now doubts. Lest they be too harshly judged, however, their one magnanimous offer should be mentioned. In the event that the Imperial Government did not assist Newfoundland, the Federal Government would contribute \$6,000 per mile toward the completion of the railway, or one third of the cost, and would also pay an annual subsidy of \$35,000 toward the payment of local services, or one-twentieth of the estimated cost. With commendable solicitude for its little sister institution, the Canadian Government approached the Home Government concerning Imperial aid for the Island. The premier of Newfoundland, Sir William V. Whiteway, with pardonable pride and with characteristic resignation to misfortune, refused to "ask a cent of the over-burdened English tax-payer". The Imperial Government sent a negative reply to the advances of Canada on the Island's behalf. Thus Newfoundland, the victim of the greed of individuals, of the jealousy or amity of nations, and of the indolence and folly of kings in earlier days, the neglected child of modern diplomacy, was left to battle for its very existence in the last straits of adversity.

It appeared to the Islanders that the Canadian delegates sought to take advantage of this adversity. Their narrow attitude has created a suspicion in the conservative minds of the Newfoundland people that subsequent fair advances have failed to allay. This view helps to explain the Newfoundlander's cherished independence. He has received no good of any nation that ever had an interest in his country, but ill of them all. He will therefore wash his hands of the whole of them. This attitude of isolation and independence,

though logical and natural, is most unfortunate for Newfoundland in these days of interdependence of nations.

This giving of the cold shoulder to Newfoundland quickened an old grudge against the Dominion, which renders Newfoundland reluctant to entrust its destinies to its powerful neighbour. A convention between the United States and Newfoundland had been arranged by representatives of the two countries, Messrs. Blaine and Bond. By this agreement Newfoundland fish could be shipped into the United States duty free. An almost unlimited market was opened to the Island, with the certainty of a consequent rise in the price of the staple commodity. The duty was to have been reduced on certain manufactured commodities of the United States coming into Newfoundland. In fact it was a most admirable reciprocity treaty, and would have benefitted greatly the mass of the fishermen. Unfortunately for Newfoundland, Canada has no love for reciprocity treaties. Sir Charles Tupper, the Minister of Marine and Fisheries at the time, importuned the Imperial Government to veto the Bill endorsing the agreement passed by the Newfoundland legislature, as he considered its operation inimical to the British interests on this side of the Atlantic. How this could be so has never been satisfactorily explained. There is a suspicion that the measure was an act of retaliation. The United States had refused to make a similar reduction of the tariff against Canadian fish, as Canada was not willing to reduce her tariff on American goods, and Sir Charles sought to prevent Newfoundland from receiving a benefit from which Canada was excluded. His representations had such weight with Mr. Chamberlain that that statesman advised the Queen to veto the Bill, which she accordingly did.

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Since the election of President Wilson the tariff on Newfoundland fish has been greatly reduced, resulting in an increased demand and a consequent rise in price. On account of the intervention of the Canadian Minister, Newfoundland has had to wait twenty years for

this boon of high prices for its exports. The islanders do not forget. To this day if a man perform an act calculated not so much to bring gain to himself as to prevent advantage to his neighbour his action is called "Tupperism".

It must be clear that Newfoundland is not illogical in its spirit of indifference to a political union with Canada. It has never had a chance to act as a political unit in international questions in which its own interests were involved, but has always been forced into disadvantageous positions by the stronger powers, and of these Canada has not been the least offender. The Devonshire merchants exploited the country and manipulated legislation disastrous to the planters. When kings quarrelled with each other, concessions in Newfoundland were granted as an indemnity; when they were friendly, slices of territory were granted as a peace offering. The French were allowed to plunder and butcher without molestation, and later their pretensions and encroachments were winked at by English governments, to the detriment of the native fishermen, and the hindrance of the development of the island. Canada was the last who sought to drive a close bargain and who actually intervened to prevent Newfoundland from receiving an obvious advantage.

Disappointed with the results of the Conference for union with Canada, the Government sent the Secretary of State, Sir Robert Bond, to the money markets of America in the hope of procuring a loan of two and a half million dollars. While in Montreal he received a message to the effect that unless the Newfoundland Savings Bank received one hundred and fifty-thousand dollars within forty-eight hours it would have to close its doors. Sir Robert immediately pledged his personal security for one hundred thousand dollars and obtained a temporary loan. Two weeks later he received a loan of two and a half million dollars in London at four per cent. for forty years, thus lifting the country from immediate disaster. The signal of farewell was waved to Canada without any regrets on the part of the colony

at not being taken in tow. The optimistic Islanders thought that time only was needed to enable the country to recover from its late financial distress. It was not given to them to foresee the rapid rise of the public debt to its present height of one hundred and twenty-five dollars a head of population, as a result of the drain on the treasury for railway construction; nor did the delegates to the Conference dream of the progress that Canada was destined to make during the next two decades. Indeed both the enormous territorial and the industrial expansion of the Dominion have been a surprise even to the less prophetic of her own statesmen.

The mass of Canadians do not realize the importance of the federation of the provinces of British North America, and do not appreciate how entirely their present material prosperity and political prestige depend upon that federation. In old colonial days, Upper and Lower Canada struggled along separately, each undertaking public enterprises which only the combined resources of both could bring to completion. The Upper province had failed in the construction of the Welland Canal; and Lower Canada was unable to complete the railways it had undertaken to build. Within ten years after the Union both enterprises had been completed and a continuous transportation service was established between the Great Lakes and the ocean. The history of Canada is the history of its development of transportation, of its canals and its railways. As a result of the building of the transcontinental railways, almost limitless wastes of prairies have been transformed into rolling oceans of golden grain; the once silent forests of the north now ring with the sound of the woodman's axe; the once rocky wastes of Northern Ontario are now bustling with the busy life of numerous mining camps and mining towns; the valleys of British Columbia have been transformed into orchards of golden fruit; the rivers teeming with fish have been reached, and regions of priceless forests and mountains bearing untold mineral wealth have been made accessible. All of which could only be made possible by the consolidation of the public

funds of the united provinces, so that transportation enterprises could be undertaken on a large scale. As a result of the Union, rivers have been spanned, prairies have been belted, mountains have been tunnelled and the wealth of north, south, east and west has been reached and exploited. Canada has proved that "unity is strength". Newfoundland is experiencing the weakness of solitude.

It is interesting and illuminating to compare the productivity of the various sources of national wealth in Canada immediately before Confederation and at the present time. The following table gives the relative production of the main sources for 1865 and 1913.

	1865.	1913.
Fisheries.....	\$ 1,200,000	\$ 33,389,464
Timber.....	73,000,312	182,300,000
Minerals.....	574,664	135,048,000
Manufactures.....	1,094,714	1,165,975,000
Agriculture.....	49,951,961	565,711,600
Total.....	<u>\$125,721,651</u>	<u>\$2,082,424,064</u>

According to this table, during the last forty years Canada has multiplied her productivity seventeen fold. That this enormous increase in the national dividend is due directly to Confederation there is not the shadow of a doubt, for the Dominion's highways of traffic could never have been developed by the provinces acting separately. Similar statistics for Newfoundland are not available, but a reasonably safe conclusion can be drawn from the fact that the population has only increased by a tenth during the last forty years, and that the present per capita income is \$50. Since the population has remained practically the same, and the present per capita income is almost as low as will admit of existence, it follows that the national dividend has not appreciably increased.

Judging from the record of Canada during the last forty years in industrial and mercantile expansion, from the gigantic public enterprises which have been brought to completion and from the feat of doubling her population and multiplying her national dividend seventeen fold, there can be little doubt that Confederation would have carried the enterprises of Newfoundland forward on the same tidal wave which has flooded Canada with prosperity. It is true that Canada proposed hard terms of Union, but Newfoundland chose an inopportune time for a favourable hearing. The Island delegates can be excused for not accepting Canada's terms in 1895, but Newfoundland statesmen are guilty before their constituents for not proposing terms of their own when Canada has been prepared to accept them. A pronounced change has come over Canada's national policy in recent years. As the Dominion has grown to nationhood, childish things have been put away, and as her wealth, prosperity and power increase her largeness of heart also increases. Every fair-minded statesman in Canada regrets the harsh treatment of Newfoundland in 1895, and all would welcome an opportunity to atone for that error. The question with Newfoundland is not a matter of taxes, nor the selling of a measure of its autonomy for a price, but it is a matter of business co-operation by which the Island might receive the just share of profits arising from the increase of business which would be the product of the greater capitalization through the partnership. Newfoundland has remained independent and has taken long chances of national suicide. The delegates pulled the neck of the country from a yoke and pushed it into a halter. Not only have the industries and the commerce of Newfoundland not appreciably increased, but its debt has soared to the height of \$125 a head as compared to \$40 a head in the case of the Dominion—not including of course the new debt caused by the present war.

There was never a more strategic moment than the present for Confederation. Never was the state of the finance of Newfoundland in a more hazardous condition,

never was the burden of taxation so great, and never was the Dominion more willing to assist the Island. Canadian statesmen have as much faith in Newfoundland as they have in the Dominion itself. They realize that only capital and enterprise are needed to lift Newfoundland to prosperity. Nor do these statesmen envy the wealth of Newfoundland, for it has no natural product of which Canada is not much more richly possessed. Sir Robert Borden says: "We should not think of depriving Newfoundland of one of her privileges; we would be friendly and generous". Sir Wilfrid Laurier has no hesitation in saying that the Canadian government would assume the whole of the debt of Newfoundland, and would grant an adequate subsidy for local administration. It would assume responsibility for all railway contracts and would build new roads where and when enterprise demanded it. The mining and timber industries would also receive proper care from the Federal Government. When asked what motives could prompt the Dominion to such magnanimous treatment, Sir Wilfrid Laurier replied: "sentiment". Newfoundland has everything to gain and nothing to lose by the Union. Canada has all the wealth of forest, plain and mine that can be dreamed of, she has habitable land for twenty times her present population, without seeking new accretions of territory. She needs both her available assets and her credit to develop her own measureless areas of wealth. Her willingness to stretch out a helping hand to the struggling colony is the strongest evidence of the national adolescence to which the Dominion has attained. Prosperity has not made her parsimonious, nor has wealth made her miserly. She affords an asylum to the oppressed of all nations; she welcomes the unfortunates who have lost in the struggle for existence at home, and seek new careers abroad. Generosity is the strongest characteristic of her people individually and of her institutions collectively. Her present attitude towards Newfoundland must be regarded as the sincerest kind of national unselfishness. Canadian statesmen are no longer think-

ing of comparative standards of national greatness. They think not of making Newfoundland less in order to make Canada more. They seek not the aggrandisement of the Dominion through the diminution of the colony. On the contrary, the very act of Confederation would make Newfoundland an active partner in the firm, sharing all the benefits and all the privileges of the amalgamation. Newfoundland need not fear any insinuation that Canada was prompted by charitable sentiments. The colony will be a very important "intangible" asset. The union of British North America under one government will greatly increase the prestige of the Federation, and render it a more important unit in international affairs. Trade will increase between the two countries by the removal of tariff barriers and by reason of industrial development in the Island.

The most effective argument that has ever been launched against Confederation is that a grievous system of taxation would be introduced. To attempt to disprove the contention would be to court the accusation of boldness and effrontery; and nothing could redeem from defamation the person who should attempt to prove that Confederation would remove the already crushing load of taxation—which has been called by a softer name. With all reverence for tradition, with all respect for politicians and with all deference to those who never did and never will ask for reasons, we proceed to disprove a theory which is as firmly established as was once the ancient belief that the sun moved around the earth.

The public debt of Newfoundland is \$28,000,000 which bears \$1,105,996 of interest annually. This interest amounts to more than the expenditures for education, for public works of all kinds, for the administration of Marine and Fisheries, the administration of justice and of the civil government all combined. Sir Wilfrid Laurier, whose opinion all must respect, claims that the Dominion Government would assume the entire public debt. Indeed, Newfoundland would consent to no less a consideration. By this arrangement the Island would be relieved of the enormous burden of an annual

expenditure of one million, one hundred thousand dollars. The Federal Government will, if Confederation becomes an actuality, also assume the cost of the civil administration. Sceptics will urge that the Central Government, after it has assumed the revenue and made it conform to that of the rest of the Dominion, will leave some expensive items to be administered by the Province, the means for which would have to be furnished by a system of direct taxation. The answer amounts almost to a disclaimer. There are but two matters of local administration which would not be covered by the general subsidy, namely, education and local public works. The present grant for education is \$320,000 and for public works of all kinds \$200,000. The total amounts to slightly less than two and a quarter per cent. of the national income. The present indirect tax is equal to twenty-five per cent. of the national income. When Newfoundland becomes a province the tariff will be made to conform to that of the rest of the Dominion, which is seventeen per cent. on the average. Again, nearly one-third of Newfoundland's imports are from Canada; thus a further reduction of one-third of the present duties must be allowed, making the duty, or taxation, eleven per cent. of the national income. But after the Union there will be no tariff barriers between the two countries and goods will pass duty free; hence Newfoundland will be able to import more cheaply from Canada under free trade than from Great Britain and the United States with a tariff of seventeen per cent. The Island will especially profit in those goods in the production of which Canada competes with the rest of the world. Although the average tariff on goods coming into Canada is seventeen per cent., it must be remembered that Canadian imports only amount to one-third of goods locally produced, while Newfoundland's imports only fall short of her entire production by less than a million dollars. Thus Canada pays seventeen per cent. upon one-third of her national income, while Newfoundland pays twenty-five per cent upon almost the whole of her annual wealth. Since Canada can produce two-thirds

of her necessities more cheaply than she can buy them abroad, it follows that Newfoundland could buy the same commodities more cheaply from Canada than elsewhere, when tariff barriers are removed. By so doing she could eliminate the seventeen per cent. on two thirds of her imports, thus reducing the duty to an average of six per cent.

Provincial and municipal taxation remains to be considered. In Canada there is a provincial revenue of about three per cent. of the National Income. This, however, is not raised by individual assessment, but by taxation of such sources of wealth as railways, banks, loan companies, insurance companies, telegraph and telephone companies and Lands, Forests and Mines. There is an income tax of about two per cent. on the portion of salaries or incomes above one thousand dollars in the case of householders. The majority of fishermen in Newfoundland could not have the pleasure of paying such a tax. The provincial and income tax, therefore, lift the burden of supplying the public revenue from the poor and place it on the wealthier section of the community and on financial institutions. The people of Newfoundland should not shun Confederation because of taxation, but should court it because of the equitable distribution of taxation according to wealth.

There is also a municipal tax on property the rate of which is decided by the local councils. The average rate is about two per cent. of the assessed value. This tax along with grants from the provincial revenue and income tax are devoted to public works and education. Newfoundland would have to devise some system of direct taxation to meet these two items of expenditure. The present allocation for the two items is two and a quarter per cent. of the National Income.

Under Confederation, as far as the masses are concerned, the entire taxation, the direct tax and import duty would be two and a quarter per cent. plus six per cent. making a total of eight and a quarter per cent. of the National Income, instead of twenty-five per cent. as at present.

Whether taxation will permanently remain as low or not is entirely optional with the people. The citizens themselves of each community, and not the government, may raise the taxation of that community (or political unit) as much or as little as they please. If a unit is satisfied with its present educational facilities and local public works the taxation will remain at eight and a quarter per cent.; but should it desire a higher standard of education and better roads and more bridges, it may by a vote of its own council increase the taxation to meet the expenses of the required improvement. Without raising taxation to its present proportions every community might multiply by three its last year's allocation for education and public works.

That the Newfoundland delegates did not foresee the ultimate effect of Confederation on taxation in the Island through improved trade and tariff relations with Canada, is not surprising, for the growth of Canadian industries of all kinds has astonished the world. In 1912 Canadian industries produced seventeen times as much as those of 1865, while the population had only increased twofold. In 1865, Canada had small chance of competing with the United States and Great Britain, even with respect to a country which presented no tariff barriers. It required a genuine prophet to predict the change which has come about. But now that all the doubtful issues are plain even to the wayfaring man, there is no justification for the continuation of a policy founded upon error and misjudgment.

The question of the prospective fishery regulation between the two countries is a source of real anxiety to many of the fishermen. They have been told that Confederation is nothing more than the name of an Act deeding the Newfoundland fisheries over to Canadian fishermen. The "longshoreman" has believed for more than a generation that steam trawlers and fast ships, owned by Canadian firms, will drive the small fisherman out of his legitimate inheritance. But to make such a claim is to presume that the Confederation Conference will consist of blockheads on the one hand and of rogues

on the other. The delegates sent on former occasions have been quite capable of looking after Newfoundland's interests. In fact they erred in being over jealous for the rights of the Island.

It is further alleged that every fisherman will be required to secure a license before he is allowed to proceed to the fishery. But what terror the fisherman foresees in such a regulation is hard to imagine. Such licenses do not cost a farthing, and are issued to every fisherman possessing legitimate fishing "gear". The benefits of such a system of license are obvious. It would serve as a safeguard against foreigners, and would protect the fisheries from the effect of illegal fishing appliances. A license system prevails at present with respect to the lobster fishing. No one finds it a hardship and all are agreed that a rigorous license system tends to protect this precious industry from depletion by the use of unlawful devices. It tends also to insure efficiency in packing, for the man who sells inferior goods in one season may anticipate difficulty in procuring a license for the next.

NATURAL RESOURCES

The department of Marine and Fisheries of the Newfoundland Government counts for little in the economy of the country. The fishery, which is the chief industry, warrants all measures of propagation and protection. The Candaian Government spends a million dollars annually in making its hatcheries thoroughly scientific and practical. Destructive methods of fishing during decades have been draining the fisheries of the growing and breeding fish. Similar abuses have been partially remedied by the department of Marines and Fisheries in Canada through setting apart favourable waters for breeding purposes and through rigorously enforcing the fishery laws. The Dominion Government has established three biological stations in different parts of the country where experiments are conducted by a staff of university professors, including some of the most noted

men of science in America. Their experiments have respect chiefly to deep-sea investigations in the fishing grounds, breeding eggs and the life history of various species of fish, methods of protecting the young fry against their natural enemies, aquatic insects and plants as food for fish. In seven of the provinces are no less than fifty-one hatcheries, each about sixty feet long, twenty-five feet wide and fourteen feet deep. Each hatchery is fitted with about thirty troughs sixteen feet long, ten inches wide and six inches deep. The following figures represent the production of the different provinces in two kinds of young fish put away in 1913.

	Salmon.	Lobsters.
Nova Scotia.....	7,340,000	274,600,000
New Brunswick.....	6,600,000	166,200,000
Prince Edward Island	1,064,000	164,800,000
Quebec.....	6,000,000	56,000,000
Ontario.....	210,639,700
Manitoba.....	87,448,800
British Columbia....	90,603,130

The fry were quite hardy and entirely capable of shifting for themselves when discharged from the hatcheries.

To show that fish developed in captivity are not inferior to those which have to resort to their own devices for a living, we give Mr. Archibald Mitchell's score, which was made with a fly in the Restigouche River last June. The account is authentic, as it rests ont only on the evidence of friends but on the word of the fisherman. Between June 10th and July 5th, Mr. Mitchell killed sixty-six salmon of which the total weight was 1,247 pounds, the average being nineteen pounds. Forty of the fish weighed between twenty and forty pounds, and twelve averaged twenty-seven pounds.

Newfoundland possesses as fine rivers for salmon as British Columbia, and her shores were once the chief home of the lobster. Through destructive methods of fishing both varieties of fish are fast disappearing, and must soon entirely disappear, if protective laws and

propagation devices are not put into practice. There is abundant legal machinery for the protection of the fisheries, but the people of the Island succeed largely in evading it, much to their own injury, and perhaps to their ultimate undoing. Some measures have been taken to propagate the lobster, but the attempts were sporadic and unscientific. A work which required the ability and the skill of specialists was entrusted to men too old to work or to boys too young to understand. Indeed the matter was more in the nature of Government jobbery than an economic effort. The Island does not possess men trained in special branches of biology and zoology, nor has the government the means of paying for services which such men might render the country. Both difficulties would vanish at the advent of Confederation. Newfoundland, as a province of the Federation, would be entitled to the same benefits as the rest of the provinces.

Under the new dispensation Newfoundland would have the advantage of the Canadian geological survey, which would mean that certainty would take the place of mere belief in the matter of mineral wealth. The survey costs the Dominion over half a million dollars annually, eighty-six scientific explorers and mineralogists are in the pay of the Government, and are engaged in tracing the various metalliferous strata, making borings to find the dimensions of a deposit, making tests to find the percentage of metal in the ore, and drawing charts to show exactly where deposits are situated and in what quantity they exist. Capitalists, therefore, are not gambling with fortune, but are relying on the word of the government.

The Newfoundland government has, in its own humble way, conducted a survey. There is one gentleman of respectable geological information in the pay of the government. He has reported most enthusiastically upon the minerals of the Island, particularly the coal measures of the Codroy Valley, but his reputation as a geologist is not sufficiently wide to

inspire capitalists with confidence. Capitalists are not speculators as a rule—they must know.

That the country has brilliant prospects in minerals, principally iron, copper and coal, is conceded by every geologist who has made a study of the strata. The iron mine at Belle Isle is the best paying iron mine in all the world, and its extent can as yet be only vaguely guessed at. The ores at Tilt Cove, Bet's Cove and Little Bay Island all bear a very high percentage of copper, and the coal seams at Codroy Valley and Grand Lake are almost fabulously rich. According to the report of the Geological Congress which met at Toronto in 1913, these measures contain 500,000,000 tons of coal. Dr. Parks, who was president of the Conference, claims that Newfoundland is a rich coal field, and should produce coal in similar quantity and grade to that of Nova Scotia and Pennsylvania, as certain portions of the Island were subject to the same geological actions as the other coal-bearing regions of North America.

The question of the possibilities of agriculture is a matter on which there is much difference of opinion. The country most certainly is not an El Dorado for farmers. Yet, when compared with Nova Scotia and New Brunswick, there is no essential difference either in soil or in climate which should render Newfoundland an impossible country for the agricultural products of these provinces. The question which naturally presents itself is, then, why is there such a general lack of agriculture in the Island? The reason is an historical one. The Devonshire merchants in their efforts to preserve the island as a fishing station for themselves gave the agricultural possibilities of the country a bad reputation. So persistent were they in this contention that governments considerably passed laws forbidding planters to waste their energies in agricultural pursuits. Being prevented from cultivating the land for a living, the settlers accepted the only possible alternative and sought it from the deep. Not only has the poverty of the soil become a tradition, but the love of the sea has become a passion. Not only have the people entirely lost the art

of farming, but their dexterity as seamen has increased, so that the Newfoundlander finds the land exile, and the sea his beloved and native element. As soon as the first breeze blows out of the south, the old salt looks with longing towards the sea. He loves the wild, free life on the rolling deep. With a solid deck under his feet and a stout suit of sails over head, he is at home, no matter how wild the sea or how black the sky. The ocean with its variations of storm and calm, its mystery and majesty, the element of uncertainty, the possibility that the trap which is empty to-day may be full to its capacity to-morrow, all have a fascinating influence on the fisherman. He knows the haunts of the fish and can "drop his hook on their noses". He can sail in all winds and weathers without use of charts or the higher science of navigation. The dexterity of these men in navigating their little vessels on one of the most dangerous coasts in the world is the marvel of marine enterprise. The sea is their real home, the land is a sort of bidding place where they are obliged to spend the long months of winter.

But in spite of its charm the sea is losing many of its votaries. Penury is more persuasive than poetry. Hundreds of Newfoundlanders emigrate after two or three successive bad seasons, or if fortune is not uniform when the seasons are good. No doubt if it could be shown that farming can be made practicable and profitable the fishermen would gradually overcome their horror of the land, and a few at least would turn farmers. But the government is unable through straitened circumstances to experiment with sufficient thoroughness to demonstrate the possibilities of agriculture. There are four million acres of arable land waiting development, but the governments have not the money or the people the desire to experiment. It is most unfortunate for the Island that all its inhabitants depend upon the same industry for a living. When for any reason the fishery is poor, the whole population suffers. Variety of occupation would insure the country from wholesale misfortune by the failure of what is now almost its sole industry.

To say that Newfoundland cannot become an agricultural country is palpable nonsense. Norway and Sweden are preeminently "lands of the mountain and the flood". Glaciers cover many of the mountains, and many sections are too rugged for habitation. Sixty per cent. of the area of Sweden is barren waste; yet that country, which is only four times as large as Newfoundland, has a population twenty times as great, more than half of which derives its living from the soil. The chief products are oats, rye, barley and potatoes. Cattle and sheep are raised in large numbers and dairying is carried on extensively. The mean temperature of the peninsula is approximately the same as that of Newfoundland. The duration of the seasons is almost identical. Both countries have their northern coasts washed by the Arctic current, and the Gulf Stream laves their southern shores. The similarity of the two countries in geological development, vegetation and climate is remarkable. In topographical features Newfoundland has a decided advantage. The ten thousand square miles of arable and grazing land are comparatively level and continuous, while the farmer of Norway has to hang his acres to the sides of a mountain in patches. As a matter of fact, Newfoundland is an ideal country for raising stock and dairying. The problem of carrying fodder for the stock over winter is no more serious for Newfoundland than for Norway.

The persistence of local delusions is astonishing. Experimental tests on a large scale must be carried out. Science must apply its devices and pioneers must labour long in each individual corner of the earth before the truth concerning its real value can be known. Of no country is this more true than of the great Dominion itself. Two decades ago she was "Our Lady of the Snows". The western prairie which was then "No Man's Land" is now the richest grain centre of the earth.

The productivity of the soil of Newfoundland is not altogether without practical evidence. Enterprising and curious matrons have committed the heresy of experimenting with the soil during the absence of their

lords at the fishery. They have found that oats, barley, and rye will grow as well and ripen as quickly in Newfoundland as at any point in Canada. In certain sheltered glens even apples of first-rate beauty and quality have been produced. The hardier vegetables are grown without difficulty and potatoes thrive fully as well there as in old Ireland.

The country presents a forbidding aspect from the sea, it must be admitted, and one wonders that anything should care to grow in such dismal surroundings. But this bulwark of fog and rampart of granite are as delusive as the fogs of tradition. The country surprises every tourist who ventures inland. The *London Times* recently made the following emphatic pronouncement on this head: "Newfoundland alone has been left to the chance of one and another of its people caring to expatiate on its merits and being so skilful or importunate as to gain an audience. Were but a single trial given, to borrow the language of advertising, the British public is assured that Newfoundland would soon become a favourite resort. It is guarded by as many terrors and obstructions as if it were the cave of a dragon and its treasure, yet behind the barriers of cloud and ice lies a land of pleasant airs and radiant sunshine. There are woods and meadows and flowers. There are cathedrals and concert rooms and libraries with all the luxuries attendant upon dwellers in villas. . . . Newfoundland as a colony is dwarfed by its relation to two continents, as a central fish market. For itself it has promising mines which would reward capital and enterprise were not both monopolised by the hereditary pursuit. It has fertile belts which will bear wheat in profusion. It has vast expanses of practical pastures. What is wanted is just a little sunshine from the mother country to stir the Islanders themselves to develop Newfoundland for Newfoundlanders. Nature affords a sufficiency of opportunity without enervating the population by doing its work herself. Travellers who have the courage to penetrate the fog and winter and the more obstinate barriers of discouraging presumption of perennial gloom,

will discover that life is worth living among Newfoundland's balsam poplars, and that the older English colony has with age only deepened and intensified its English characteristics."

Truly Newfoundland needs sunshine and countenance, but it has ceased to expect it from the mother country. In the near future it is to be hoped the people of Newfoundland will realize their need of co-operation with the Dominion government, which is both able and willing to develop the natural resources of the Island, which awaits only capital and enterprise. That the Federal government will give the agriculture of the Island an impetus goes without saying. The present annual expenditure of Canada for education and agricultural development is \$3,054,000. Newfoundland's share of this would be \$100,000. These three million dollars are devoted to the maintenance of agricultural colleges and model farms, and to the employment of expert biologists who experiment with the various seeds and soils.

It is quite true that Canada still has vast undeveloped and uninhabited regions of her own which will require her available capital and enterprise. But the new province will be entitled to its share of the public expenditure along with the rest. The annual grant of one hundred thousand dollars a year for agricultural development will revolutionize the economic conditions of Newfoundland.

The backward condition of the Island is not due to the inherent shiftlessness of its people, but to those ruinous influences which have been enumerated, and to the selfishness of business men whose best means of escaping taxation and whose surest hopes of gain lie in the submission of the people to the old order. This point is given vigorous emphasis by a local historian, Judge Prowse: "One serious obstacle stands in the path of progress, our political animosities and partisan hatred have done, and are still doing incalculable injury both at home and abroad. To insure progress and prosperity for Newfoundland we must have peace within her borders,

the foul tongue of slander and scurrility must be hushed; all good men must work together to cast out from us the evil demon of political strife. Already the public are becoming nauseated with venomous lies and their appetite for slander has ceased. When they further encounter the danger of the decent public, above all when they find that this kind of fiction does not pay, they will adopt a different policy. I know my countrymen well, and can bear witness to their character. In the whole world I do not believe there exists a more quiet and orderly people. Strangers who come among them are delighted with their courtesy and simple kindness. There is no other country so free from crime as this colony. The denominational system of education has not done them justice. But for mother wit, for dexterity as boat builders, house carpenters and all avocations of the sea they have few equals. As daring sailors, as sealers on the shifting ice floes, ask the Dundee whalers or those who have gone to the Arctic with a Newfoundland crew. They have no compeers in all the world".

THE REID CONTRACT

Another urgent reason for seeking a union with Canada is the prospect of disposing of the Reids—the firm which almost owns the Island. It cannot be denied however, that the Reids have done much for Newfoundland, but in justice it must be said that Newfoundland has done infinitely more for the Reids. Too many people have forgotten that Robert Gillespie Reid did not build the Newfoundland railway, but bought at the price of one million dollars what had cost the government of the colony thirteen million dollars. The dry dock, the telegraph, and seven million acres of agricultural, timber and mineral lands were thrown into the bargain.

The Reids must not be wholly condemned for being sufficiently human to accept such a magnificent present. They initiated the proposal of course, but the time-servers who navigated the Bill through the Legislature

were the chief sinners. One cannot but recall the occasion when the father of the measure rose from his seat in the house, and, with a hypocritical tear in his eye, said: "I speak reverently to-night when I declare that there are homes in this country without a crust of bread; and if this contract does not go through, the young men must go to Crow's Nest Pass to die of Black Diphtheria". He claimed that the government was unable to complete the railway and that it had not the means to meet heavy obligations due in a few months. The granting of the contract would obviate both difficulties. Thus the house was rushed into passing the Bill, and the birthright was sold for a mess of pottage. The indignant public protested by petitioning the Secretary-of-State, Mr. Joseph Chamberlain, asking that the Queen be advised to veto the Bill. To the petitions signed by more than two-thirds of the voters of the Island, Mr. Chamberlain sent the following cautious reply: "In accepting the privilege of self-government the colony has accepted the full responsibility inseparable from that privilege and if the persons to whom it has entrusted its destinies have failed to discharge their trust, they cannot look to Her Majesty's Government to supplement or remedy these defects or to judge between them and their duly chosen representatives."

The Reids are primarily railway contractors rather than railway operators, and it is from their contracts that they make the greatest profits. During the last sixteen years they have built many branch railways in the Island, the contracts for all of which were let without any competition. The straitened finances of the government make it impossible for new contracts to be given, after the completion of those which have been already let. Now that there is no prospect for new contracts in sight and since the rolling stock is dilapidated, and the road-bed in an almost impassable condition, the Reids would not object to a chance to sell out—a consummation devoutly to be wished. While the coastal service of the Reids (for which they have been abundantly subsidized) is quite adequate and satisfactory, the railway itself is

an abomination. The service is many degrees inferior to that of the poorest lines on the mainland of the continent. The road-bed is so poorly ballasted that the cars more resemble rocking horses than railway coaches. The company claims that the road-bed cannot be improved owing to the peculiar nature of the country through which the road runs. It is always the same wearying old story: Newfoundland is different from every other country in the world; no good can come out of this wretched Nazareth. But the Canadian government will find it possible to operate a rapid and comfortable service when the Newfoundland line is added to the Intercolonial Railway System. One of the terms of Confederation must be the assumption of the railway contract by the Canadian government. The Reids desire it, the country needs it, and Canada would prefer it.

The demands of Newfoundland as set forth in this essay may appear over-exacting, but the Dominion expects no easier terms. Her statesmen are thoroughly conversant with the weak places in the economy of the colony, but they realise that the Island will not consent to Union without the certain knowledge that it will gain by the bargain. Sir Robert Borden and Sir Wilfrid Laurier both deplore the failure of previous negotiations and both say that they would do their utmost to meet the claims of the colony.

EDUCATION

The educational system of the Island is a curse to its people and a stumbling block in the way of industrial, social and intellectual advancement. It affords a further evidence of the stolid opposition to influences making for higher civilization, characteristic of Insular peoples. Evolution is an inflexible law of nature. Development, progress, change, characterise all phases of living creation. The law is, "conform or die". It is true of the animal and vegetable world. It is true of individuals. It is true of nations. No nation can

remain industrially and intellectually stagnant and survive. There is no half-way resting place. Progress means life; stagnation means degeneration and decay. The running stream is pure and clear, but the stagnant pool is full of rottenness. The antiquated and absurd denominational system of education is a cancer which sends its roots into the very vitals of the social organism. Intellectually, industrially and morally Newfoundland suffers from this festering disease.

Little communities not capable of adequately supporting one school are burdened with three or four establishments dignified by that name. Teachers get an average salary of two hundred dollars a year. A few of the principals of the secondary schools get five hundred; but many teachers in the primary schools get as little as one hundred and twenty dollars a year. The standard of education is therefore pitifully low. There is not a single training school for teachers in the country, and there are only four institutions which correspond to Canadian high schools. Every denomination from the Roman Catholic to the Salvation Army has its own schools, all of which receive separate government grants. These grants are invariably inadequate to cover the teacher's salary; the balance of the wretched pittance is made up from fees. The various schools of a community are often situated close to each other; since all strive to be as centrally situated as possible. Children from the different schools meet on a common playground, but at the sound of the bell they separate like sheep of different flocks belonging to different folds. Here bigotry and suspicion are fostered.

The government makes an annual allocation for education from the revenue, but it exercises no control or supervision. The executive body of the leading religious denominations appoint two superintendents who also act in the capacity of inspectors. They are almost invariably priests or preachers and are not qualified by their previous training for the position. Even after their appointment they spend more time in attending to church functions and conventions than in studying

systems of education and visiting model institutions. They are often good theologians but they are never educationists; yet they dictate the educational policy of the country.

In 1893 an Act was passed appointing a Council of Higher Education. The government handed the responsibility for education over to the Council, and the Council in great measure has passed it on to the inspectors. A few improvements were made at the inception of the institution, but during recent years little or nothing has been done to modernize educational methods. To-day the same antiquated text-books are used which puzzled the heads of the last generation. The same semi-barbarous methods of memorizing lessons is followed with almost religious exactness. Formidable columns of "meanings" and answers to questions of "Useful Knowledge" are crammed in to-day to be forced out by a similar store to-morrow. Hundreds of geographical names and an endless number of dates of isolated events of history are laboriously committed to memory. Teachers have not had the slightest training in the principles of teaching. Modern attractive and thought-stimulating methods of education are undreamed of, except in very rare cases where teachers, either by enterprise or by accident, have been illuminated by articles in magazines or educational journals. The aim of the system is not to develop the mind but to stuff it. At the end of ten or twelve years at school the pupil is not capable of conducting his own education; his mind is merely an intellectual lumber loft. Ninety per cent. of those who spend most of their earlier days at school drift back to the fishing boat because of the chaotic and useless nature of their education. They all know that calico gets its name from Calicut where it was first made. They know that Harold was shot in the eye by an arrow. But such unrelated facts as they learn provide them neither with an education nor with a foundation for professional training. Well might Carlyle say: "Innumerable dead vocables they crammed into us and called it fostering the growth of mind. How can

inanimate, mechanical gerund-grinders foster the growth of anything, much more of mind, which grows not like a vegetable but like a spirit, by mysterious contact of spirit. Thought kindling itself at the living fire of thought? How shall he give kindling in whose inward man is no live coal, but all is burnt out to a dead grammatical cinder? Alas—so it is everywhere, so will it ever be, till the hodman is discharged or reduced to hod-bearing, and an architect is hired and all hands fitly encouraged.”

The chaotic condition of the pupil's mind is due neither to his own stupidity nor to that of the teacher. The one is as much a victim as the other. The greatest educational necessity of the country is a training school for teachers. Specialized and technical training is as much more essential to the teacher than to the physician as the mind is more delicate and complex than the body.

The proportion of Newfoundlanders on the staffs of universities and in the learned professions of Canada and the United States is evidence that Newfoundland men possess considerable intellectual capacity. But such men attribute their success to their race, to their wholesome life and seaman spirit, rather than to their early education. They concede that the intellectual hurdle race of school days has provided them with a certain mental muscle, but none recommend the system even for its gymnastic effect.

It is a kind of heresy in Newfoundland to suggest that young men should leave their nets to follow professions. Someone must be the producer. It is a sort of treason to suggest that the young men of the Island might find an easier living abroad. But the greatest heresy and worst treason is to wink at the facts and pretend that Newfoundland is as well off as its neighbours. One gentleman, prominent in the public life of the colony, speaking recently before the Canadian Club in Toronto, said that the people of the Island are not anxious for a change, that they are perfectly satisfied with life as they find it. Nature supplies their needs abundantly. They have no exalted tastes; they have no complex desires. Therefore they are not discontented. They do not

possess the luxuries and therefore lack the vices of highly civilized life. Why disturb their elysian peace? The contention of the guest of the Canadian Club is absurd when pressed to its logical conclusion. The Eskimos are perhaps the most perfectly contented people in the world. Nature makes their roads; nature builds their bridges; nature brings food in abundance to their very doors. But the distinguished journalist undoubtedly would enjoy a lordly dinner at the King Edward Hotel in Toronto much more than a feast of whale blubber in a snow hut in Baffin Land.

Confederation could do nothing directly for the Island in the matter of education, except that it would result in an increase in the allocation through eliminating heavy liabilities, such as interest on the public debt, and through reducing taxation by means of improved tariff relations, etc. According to the British North America Act each province is responsible for its own educational affairs, which means that education in Newfoundland would not be disturbed. Yet indirectly a great influence would be exerted. It is only reasonable to suppose that a wider political horizon would broaden the ideas and interests of the community. Educators and public men would have a wider outlook and consequently would have a broadening effect upon the minds which depend upon them for intellectual nutrition. The common people would be interested in reading the editorial pages of the more important daily newspapers and the magazines relating to the general interests of the Dominion. A narrow horizon invariably results in narrow vision and meagre understanding. Possibly if the colony were a part of the Dominion the local inspectors would be led to wonder how their standards and methods compared with those of the other provinces; indeed one might be certain they would. There is no doubt they would gather many useful suggestions should they make a tour of visitation to the leading Normal Schools of the Dominion.

CIVIL GOVERNMENT

The civil government of the country is completely centralized and bureaucratic. There is no local government, except in the municipality of St. John's. Consequently the central cabinet controls the patronage and distributes the jobs. The system naturally lends itself to the evils of jobbery; though corruption is by no means flagrant; which fact is possibly due more to the penury of the government than to the virtue of its Ministers. There being no county or municipal politics, the central cabinet makes appointments to boards to manage local public works. What the country lacks by the absence of elective local councils, considered solely from an educational point of view, is incalculable. The masses have no conception of real government by the people. In matters of local concern they have no recourse to direct legislation. If a community or a district feels itself to be badly neglected by the central legislature, some enterprising person (who ought really to be reeve of the county that does not exist) goes round with a petition for which he solicits the signatures of all citizens entitled to the franchise. The petition in due course is presented to the government, and the petitioners wait—usually in vain—for a reply to their prayer. All of which is a travesty on democratic institutions. The electors miss the educating influence of public nomination meetings and council assemblies; they miss the spirit of sport created by a local election campaign. The people are not given to consider and discuss administrative affairs, and they absolutely lack local public spirit. Youths have no inspiring ambition such as the hope of becoming county councillor or reeve of the township to induce them to devote the hours they spend on the street to the study of municipal politics and to useful and intelligent reading. To claim that the work-a-day man in Newfoundland is as intelligent as a man of the same class on the other side of the Gulf would be to betray ignorance of the facts. A Newfoundlander may be considered unpatriotic for making the asser-

tion, but a patriot's first duty to his country is to know the truth about it. The average Canadian has broader knowledge, a wider range of ideas than the average Newfoundlander, though the latter is undoubtedly naturally endowed with as keen intellectual acumen. In Canada the less subtle mind is developed. In Newfoundland the keener intellect is uncultivated. The difference is not entirely due to the superiority of educational institutions of Canada, but partly to the efficiency of its political organizations.

It is often argued that the sparse settlement of the country renders all forms of municipal government impossible. There is some truth in the contention, but like most extreme statements it is not an absolute fact. In any case the strongest argument is to apply the test. Recently trial has been made of a few elective road boards. The elections were interesting and the public was enthusiastic. The experiment must be considered a surprising success when we remember the initial difficulties of such an innovation.

CONCLUSION

must be apparent that Confederation could have at least no calamity for Newfoundland. Under circumstances its debt could scarcely have been to exceed one hundred and twenty dollars a taxation could hardly have been forced up to five per cent of the national income. The could have been more neglected; fewer transportation facilities are out deplorable lack of industrial le; and education could not if had the colony thrown inces. Indeed the nt. Their per Canada and

Newfoundland the wealthy shift it on to the labouring class. Canada throbs with industrial activity. Newfoundland is industrially anaemic. A commercial tariff exists between the two countries which Confederation would have removed, resulting in an increase of trade and a lowering of prices in the Island.

It is astonishing that the mass of the people of the colony have remained so long indifferent to the opportunity of adding to the wealth and status of their country, of increasing their private means and of being relieved of a burden which is annually increasing and which is daily taking the bread from their children.

Let us hope that the colonial government, while there is yet time, will consider the welfare of the masses and the future of the country and establish a favourable union with Canada, which will bring to the Island the possibility of realizing itself and of taking its place in a great federation of free and autonomous states.